

SENATE BILL 608

By Kurita

AN ACT to enact the "Austin Peay State University Nursing Loan-Scholarship Pilot Program for Nontraditional Students" and to amend Tennessee Code Annotated, Title 49, Chapter 4, Part 9, relative to financial assistance for postsecondary nursing education from state lottery proceeds.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new, appropriately designated subdivision:

Section 49-4-9__.

(a) This section shall be known and may be cited as the "Austin Peay State University Nursing Loan-Scholarship Pilot Program for Nontraditional Students".

(b) The Tennessee student assistance corporation shall administer the Austin Peay State University Nursing Loan-Scholarship Pilot Program for Nontraditional Students. Tennessee student assistance corporation shall be responsible for determination of eligibility of participants and for the distribution of funds appropriated by the general assembly for loan-scholarships awarded under the pilot program. In the event net proceeds from lottery revenues are insufficient to fund fully the loan-scholarships created by this section, then the Tennessee student assistance corporation is authorized to review and reduce the amounts to be awarded for such loan-scholarships in lieu of reducing the number of participants.

(c) Participation in the pilot program shall be limited to no more than twenty (20) exemplary students who desire to enter the nursing profession in Tennessee per class level per year. Participants shall:

(1) Be twenty-five (25) years of age or older;

(2) Be admitted to the Austin Peay State University school of nursing in the bachelor of science in nursing program;

(3) Pledge to practice as a registered nurse in Tennessee for up to six (6) years after obtaining a bachelor of science in nursing;

(4) Not be ineligible to receive a scholarship under the provisions of § 49-4-904; and

(5) Be a Tennessee resident and have been a Tennessee resident, as defined by regulations promulgated by the board of regents under § 49-8-104, for at least one (1) year immediately preceding the date of application for loan-scholarship.

(d) The Tennessee student assistance corporation, in conjunction with the Tennessee higher education commission, is authorized to promulgate rules and regulations for the management of the pilot program and the selection of recipients, taking into consideration such factors as the academic record of the applicant, past experience in nursing or other medical professions, and the balance of majority versus minority representation in the nursing force.

(e) Subject to the amounts appropriated by the general assembly in accordance with § 4-51-111 and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, a loan-scholarship under the pilot program shall consist of full tuition and fees and a living allowance stipend. The living allowance stipend shall include a housing allowance not to exceed the maximum cost of room and board provided through the university's facilities and an allowance, if applicable, for day care for a participant's children who are under the age of thirteen (13) and for whom the participant must provide day care in order to attend the university.

(f) All loan-scholarships shall be evidenced by notes payable to the corporation which shall bear interest at an annual rate of interest to be determined by the corporation from and after the completion of the educational program. The notes shall be executed pursuant to the rules and regulations of the corporation. If the recipient does not remain in Tennessee to practice nursing or does not practice nursing, then the recipient shall be required to repay the full value of loan-scholarship funds received at an annual rate of interest to be determined by the corporation from the date of completion of the educational program. The permanent withdrawal or dismissal of any recipient or the failure of any recipient to do college work in a manner acceptable to the corporation shall immediately forfeit such recipient's right to retain such loan-scholarship. Any loan made under the provisions of this section shall be cancelled by the death or the permanent and total disability of the recipient.

(g) Each pilot program award shall be renewable up to three (3) times, contingent upon satisfactory academic performance. Persons receiving pilot program loan-scholarships who become nurses in Tennessee shall receive forgiveness of the loan-scholarship balance based on two (2) years of nursing service for each year an award was made. Any loan-scholarship balance not forgiven in the above manner shall be paid with interest by the recipient.

(h) The pilot program shall begin with the fall semester 2005. The availability of loan-scholarships shall be subject to the appropriation of funds in each year's general appropriations act.

SECTION 2. The Tennessee student assistance corporation is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, title 4, chapter 5.

SECTION 3. The provisions of this act shall not be construed to be an appropriation of funds and no funds shall be obligated or expended pursuant to this act unless such funds are specifically appropriated by the general appropriations act.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.